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The Civil Aviation Authority of Nepal (CAAN) earned around Rs 6.91 billion in the last fiscal year, surpassing its expectations by 15 per cent.

The total earnings of the authority was Rs 948 million more than its earnings forecast of Rs 5.96 billion for fiscal 2018-19.



FILE – A view of the head office of Civil Aviation Authority of Nepal (CAAN), in Babarmahal, Kathmandu. Photo: Nishant Pokhrel/THT

Meanwhile, CAAN collected a total of Rs 2.56 billion as aviation development fund (ADF) last fiscal, up from Rs 2.14 billion in fiscal 2017-18. CAAN collects ADF of Rs 1,000 on each international air ticket sales and the amount collected is not included as its income.

CAAN had allocated Rs 34.25 billion for its development spending and Rs 3.86 billion for operational expenses. The authority had spent Rs 22.45 billion as capital expenditure, while it overshot the allocation for operational expenses, which actually stood at Rs 5.95 billion.

Most of its budget was utilised for the renovation and maintenance of airports across the country in the last fiscal, said Rajan Pokhrel, director general of CAAN. “To maintain transparency of our financial activities, we implemented online billing system, central accounting system and central payroll system from last fiscal,” he said. “Furthermore we have also started preparing our audit reports as per Nepal Financial Reporting Standards (NFRS).”

He also claimed that CAAN has been making profit since the last few years.

The authority has projected its earning for the current fiscal year to stand at Rs 8.33 billion.

CAAN makes its income from various fees including aircraft landing, parking, housing, over-flying navigation, security, chartered flights, flight catering, passenger service, concessionaires, vehicle entry and parking, advertisement, oil throughput, terminal rent, land rent, royalty, cargo handling, regulatory fees and ground handling.

Currently, there are 54 domestic airports and one international airport — Tribhuvan International Airport. Meanwhile, two other international airports — Gautam Buddha International Airport and Pokhara International Airport — are under construction phase.

CAAN is also preparing to construct new airports and is also trying to resume the operation of non-operational airports in cooperation with the concerned local governments, CAAN has mentioned in its annual report, which was unveiled recently. Around 16 domestic airports across the country are not in operation at present.

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